



UTHUNGULU



ANNUAL REPORT

2010/11



SERIOUS ABOUT SERVICE DELIVERY

SERIOUS about SERVICE DELIVERY





Celebrating diversity
and embracing change
with an unswerving commitment
to service delivery.

At uThungulu
we believe in always
putting our people first!

United we can make a difference.

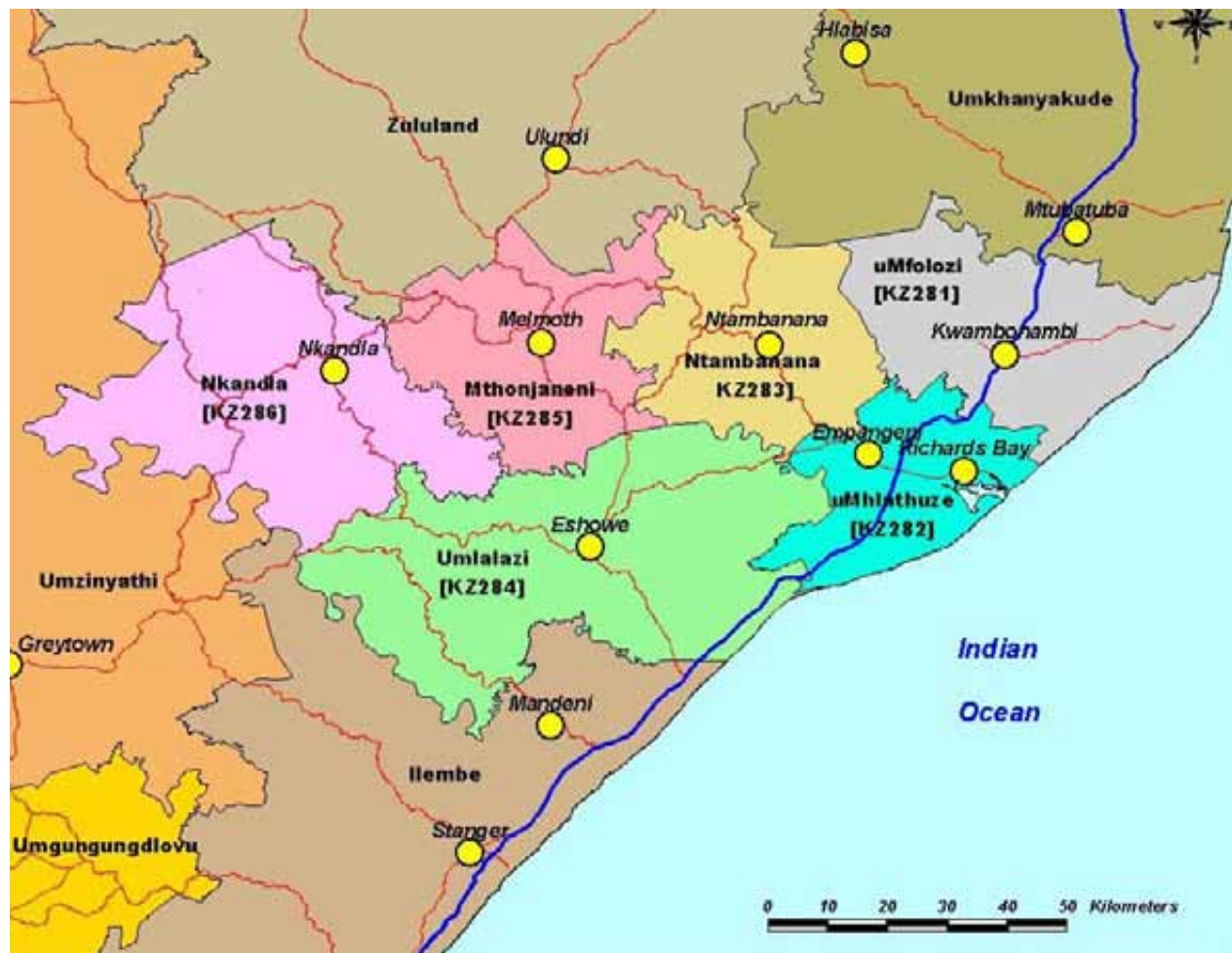


UTHUNGULU

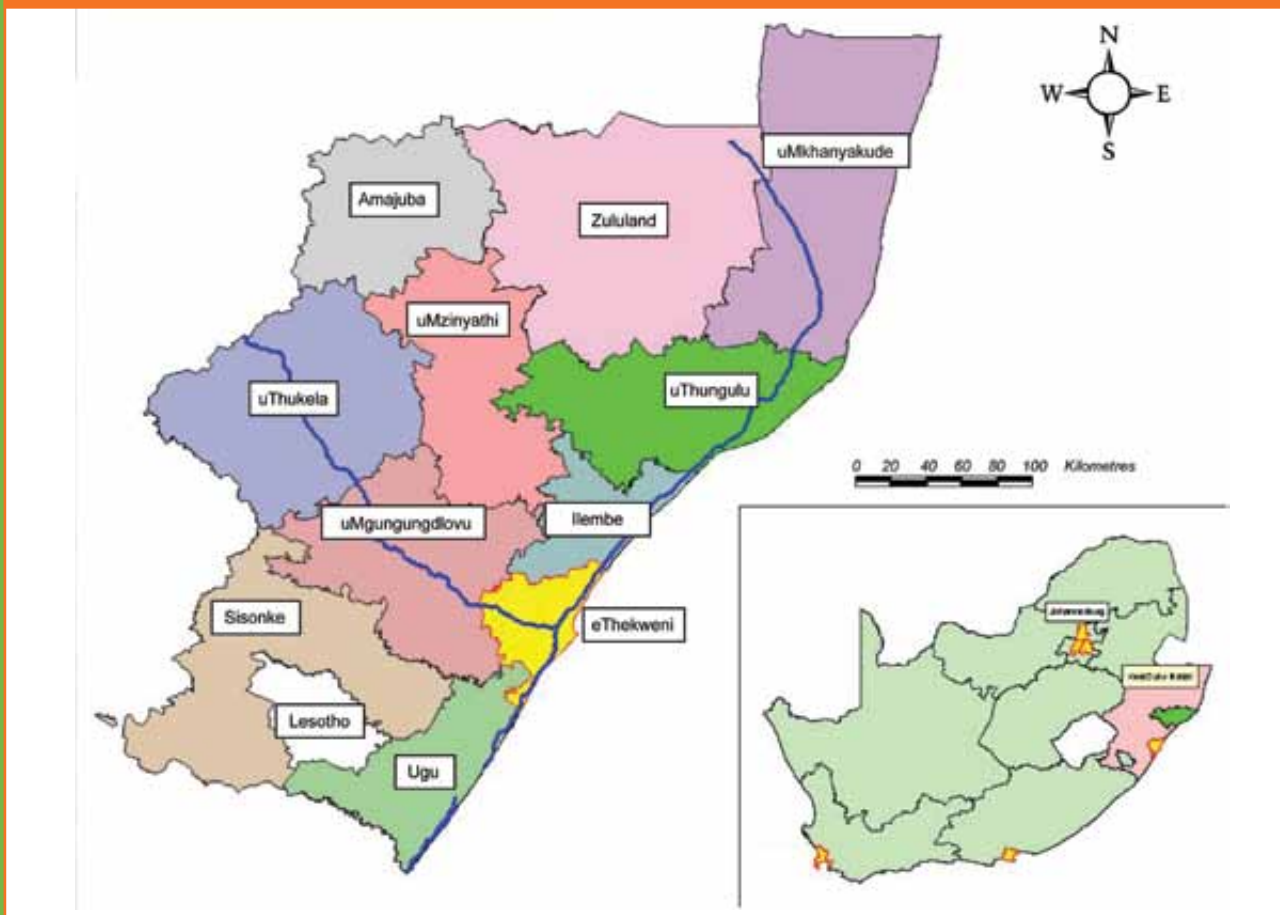


uThungulu District Municipality
uThungulu Distrik Munisipaliteit
uMasipala Wesifunda Waso Thungulu

The uThungulu District and its six constituent municipalities



The uThungulu District is situated on the East coast of the province of KwaZulu-Natal





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Foreword by the Mayor



Her Worship the Mayor
Cllr TVB Mchunu

The 2011 Local Government Elections was a turning point for the future of the uThungulu District, bringing with it the stability and unification of a seamless government from national, provincial and local levels, working towards one goal.

The new Council, under my leadership has identified new priorities and charted a growth path that is focused on service delivery, local economic development and quality of life for the people of the uThungulu District.

Our legacy project for the incoming five years, the District Fresh Produce Market, is already at an advanced stage of planning, and it is anticipated to turn the agricultural sector into a sustainable, development vehicle for the growth of the district's small-scale economy.

It has been included in our new IDP to serve our family of six local municipalities, which are: Mfolozi, uMhlathuze, Ntambanana, Umlalazi, Mthonjaneni and Nkandla. This market will support and develop small scale farmers, Cooperatives and vegetable growers in the rural areas, to ensure that they are assisted from the point of preparing the soil, planting and harvesting to the point of transporting and selling their produce.

This ambitious project will serve to enhance our priorities of job creation, youth development, gender empowerment and the emancipation of the farming industry, but more importantly, it will promote food security for the poverty-stricken rural areas in uThungulu.

The first District Agricultural Summit was held this year to launch this exciting developmental initiative, which is in line with us adopting the provincial priorities, this one being rural development and food security. uThungulu will be making the provincial priorities our district priorities, for we are one government and will serve our people at all levels of need.

In the past financial year we increased our provision of free basic water for indigent communities from 6kl to 10k, as a further measure of our commitment to the provision of basic services to our communities. Construction of our regional bulk water scheme, the Greater Mthonjaneni waterworks is reaching its completion, and we can now concentrate on fast-tracking the eradication of our backlogs.

The District Lekgotla was held to formulate our new IDP and to focus on aligning the programmes and projects of all government departments and our six local municipalities with that of the district so that we work as a team with proper coordination.

In keeping with this we have also conducted our IDP Roadshows in our local municipalities to gain input from our communities as to the needs they have, so that this can be considered when we finalise our five-year integrated development plan. We are listening to the people and public participation is critical for the democratic process. This Annual Report is a culmination of the hard work being done on a daily basis by the employees of this municipality - the ordinary people operating our rural water plants and the officials who take the time to listen to the needs of the communities - and most importantly, the councillors who serve as the caretakers of their people and the catalyst to the development of the region.

The next five years will be crucial in determining the direction for the development of this district, and we are confident that people will see change where there was no hope. From basic service delivery to the support of marginalised groups, the growth of the economy and the upliftment of the poor, we know where our priorities lie, and we will not be deterred from the path to progress.

I wish to thank the Council for their support and guidance as we take this ship forward into calm waters and steer it to success.

Thank you

CLLR TBV MCHUNU
MAYOR: UTHUNGULU DISTRICT MUNICIPALITY

Message by the Acting Municipal Manager



Acting Municipal Manager
Danie Lubbe

uThungulu District Municipality has proudly set the benchmark for good governance and prudent financial management for the past decade, and the past financial year was no exception.

Work has tirelessly continued in our quest to eradicate the backlogs to basic service delivery, and we are committed to quality, efficiency and sound controls in the fulfilment of our mandate to the communities in our district.

We have once more achieved notable success in various fields of service delivery, with the highlights being:

- Second place at the SALGA National Games which we successfully hosted in December 2010
- Our Planning Department received a Certificate of Recognition from CoGTA at the IDP Best Practice Conference in Pietermaritzburg. uThungulu is one of only two districts to receive this achievement. The district has consistently remained as a top IDP Achiever in the province for four financial years, from 2007 to 2010.
- Runner-up in the Community Spirit Award at Zululand Chamber of Commerce Business Excellence Awards in 2010

Our legacy for sports development in the district is the landmark sports stadium constructed in the 2009-2010 financial year within the City of uMhlathuze for the 2010 Soccer World Cup. At the beginning of the 2010-2011 year Thanda Royal Zulu football team signed an agreement to make the stadium their home ground, giving added impetus to the future of sport, and soccer in particular, in the district.

The synthetic athletics track funded by the Department of Sports and Recreation has been completed and will promote the hosting of world class athletics events at the stadium. Funding models are being developed for the construction of Phase 2 of precinct, to enable it to become a Multi-Purpose facility, complete with conference facilities and an indoor sport arena.

The district has achieved eight consecutive unqualified Audit Reports from the Auditor General's office, and we have our sights firmly set on achieving a clean audit well before the 2014 target set by national government.

The council's highest priorities are aimed at eradicating rural backlogs for water supply and sanitation services, as measured against Rural Development Plan (RDP) standards. This has informed our budget for the incoming financial year and we have once again focused the largest portion of the budget on reaching our service delivery targets.

We are proud to have been among the first to implement regulated financial policies, in some cases an entire financial year in advance of the deadline for compliance.

A fully-functional Budget Steering Committee is chaired by the

Mayor and has been regularly convening since January 2010.

In line with Circular 54 our 2010/2011 budget was aimed at addressing the National priorities for Local Government, especially Outcome 9 and 12:

- Improve the quality of basic education
- Improve health and life expectancy
- All people in South Africa protected and feel safe
- Decent employment through inclusive economic growth
- A skilled and capable workforce to support inclusive growth
- An efficient, competitive and responsive economic infrastructure network
- Vibrant, equitable and sustainable rural communities and food security
- Sustainable human settlements and improved quality of household life
- A responsive and, accountable, effective and efficient local government system
- Protection and enhancement of environmental assets and natural resources
- A better South Africa, a better and safer Africa and world
- A development-orientated public service and inclusive citizenship

Challenges that were beyond our control include funding for Environmental Health, which continues to be a source of concern. Severe budget challenges have arisen due to Environmental Health functions being transferred to the district with an allocation of R18 per household, as this is not revenue-generating.

Current financial challenges also lie with the provision for drought through water tankering, and funding for disaster management. These services do not generate any income, yet they continue to deplete our budget. It is a simple fact that the lives of our community members are dependent upon the delivery of these services.

Being the water service provider function to Local Municipalities which are predominantly rural, is a challenge that we are dutifully working to overcome. The Water provision function is cross subsidized to the amount of about R234m per annum, with a further R2.5m being spent on water tankers on a monthly basis.

We regularly engage with the House of Traditional Leaders as no development in traditional authority land can take place without consultation and support from the Amakhosi. The relationship is valued and much appreciated.

In keeping with our efforts to promote effective public-private partnerships, we launched a partnership with Richards Bay Minerals for water-related projects in the Mbonambi municipal area this year.

Our relationship with the six local municipalities in the district has always been strong and with the ongoing Shared Services concept for Fire Fighting and Planning, we have been able to add capacity to our struggling local municipalities. We hope to expand on this concept this year with the integration of our IDP's and a concerted effort to align the service delivery mechanisms of the local municipalities with that of the district.

I would like to thank the incoming District Mayor and the new uThungulu Council for their support and progressive stance on service delivery since they took up office in the latter part of the financial year.

I further extend my gratitude to the committed and dedicated officials of uThungulu, who strive daily for excellence in all that they set out to do. The strength of the district lies not just in the leadership, but also in those who are willing to be led.

Acting Municipal Manager

Overview

The uThungulu District Municipality is a category C municipality and is located in the north-eastern region of the KwaZulu-Natal province on the eastern seaboard of South Africa. It covers an area of 8000 square kilometers, from the agricultural town of Gingindlovu in the south, to the Umfolozi River in the north and inland to the mountainous beauty of rural Nkandla.

This paradoxical district comprises the best and worst of the two economies of this country. We are home to several of the largest industrial giants in the world, the retail sector in our urban areas is burgeoning with economic activity, the agricultural and tourism potential is boundless and there are ever-increasing opportunities for local economic development.

On the other hand, crippling droughts and deep rural communities living in abject poverty are also strong characteristics of the uThungulu district, with a backlog of water and sanitation service delivery topping our list of priorities.

The following local municipalities are found within the servicing area of the uThungulu District Municipality (DC28):

- Umfolozi Municipality (KZ 281)
- uMhlathuze Municipality (KZ 282)
- Ntambanana Municipality (KZ 283)
- uMlalazi Municipality (KZ 284)
- Mthonjaneni Municipality (KZ 285)
- Nkandla Municipality (KZ 286)

It has the third highest population in the province after the eThekweni Metro (Durban) and the uMgungundlovu district (Pietermaritzburg and surrounds).

uThungulu is well-endowed with natural resources. Its competitive advantages are:

- a good climate that opens up avenues for productive agricultural and tourism development;
- agriculture with irrigation infrastructure in place; and
- a scenic environment and coastal terrain which create opportunities for tourism development.

The uThungulu District Municipality allocates the majority of its annual income to capital infrastructure projects in five of its local municipalities: Umfolozi, Ntambanana, Mthonjaneni, uMlalazi and Nkandla; where the vast majority of residents live in rural homesteads and unemployment is at over 50%.

Its challenge is to provide basic services such as water and sanitation to these people while stimulating local economic development, job creation and the growth of the small and medium business sector. The need to address poverty is one of the most critical issues. The municipality enjoys good relations with the business sector and non-governmental organizations.

uThungulu's unique qualities set it apart from many other regions in South Africa. It boasts the largest deepwater port on the African continent, which imports the most bulk cargo of all African ports. It has double the capacity of the Port of Durban to its south and handles in excess of 75 million tons of cargo annually. The development of the harbour facilities at Richards Bay has promoted the development of the manufacturing sector, such that it is the largest economic contributor to gross geographic product in uThungulu (51,4%).

uThungulu offers highly favourable agricultural conditions as it has extremely fertile soils, good precipitation and enjoys an excellent, frost-free climate all year round. A wide variety of bio-climatic conditions are on offer across the district, from the mountainous area of Nkandla down to the coastline. The agricultural sector is a dual economy, consisting of commercial agriculture on one hand and traditional agriculture on the other.

The commercial agricultural economy is based on the sugar and forestry industries. Traditional agriculture is practiced on most of the tribal lands in the district and has enormous potential for growth.

Confidence in uThungulu is increasing rapidly as investment flows into the region. Local economic development through sustainable means is a priority of the uThungulu District Municipality, which is focused on achieving this through community participation and empowerment. Various comparative advantages such as affordable labour, service costs and industrial land availability position uThungulu as a competitive investment destination.



Powers and Functions

In terms of Circular 8/2009: 2008/09 Capacity Assessments and Recommendations: Adjustment of Powers and Functions between District and Local Municipalities in terms of Section 85 of the Local Government: Municipal Structures Act 1998, the uThungulu District Municipality has the following powers and functions to fulfill:

			281	282	283	284	285	286
1	S 84(1)(a)	Integrated development planning for the District Municipality including Development Plan for the local municipalities within the area of the District Municipality						
2	S 84(1)(b)	Pottable water supply that effects a significant proportion of the municipalities in the district						
3	S 84(1)(c)	Bulk supply of electricity						
4	S 84(1)(d)	Domestic waste-water and sewage disposal ssyem						
5	S 84(1)(e)	Solid waste disposal sites serving the area of the District Municipality as a whole						
6	S 84(1)(f)	Municipal roads which form an integrated part of a road transport system for the area of the District Municipality as a whole						
7	S 84(1)(g)	Regulation of passenger transport services						
8	S 84(1)(h)	Municipal airport serving the area of the District Municipality as a whole						
9	S 84(1)(i)	Municipal health serving the area of the District Municipality as a whole						
10	S 84(1)(j)	Fire fighting services for the District Municipality as a whole						
11	S 84(1)(k)	Fresh produce markets and (abattoirs) serving the are of the District Municipality as a whole						
12	S 84(1)(l)	Cemeteries and crematoria						
13	S 84(1)(m)	Promotion of local tourism for the District Municipality						
14	S 84(1)(n)	Municipal public works relating to any of the above function or/and other functions assigned to the District Municipality						
	S 84(1)(o)	The receipt, allocation and if applicable, distribution of grants made to the District Municipality						
16	S 84(1)(p)	The imposition and collection of taxes, levies and duties as related to the above functions or maybe assigned to the District Municipality in terms of national						
18	Sched 4 B	Building regulations						
22	Sched 4 B	Local tourism						
40	Sched 5 B	Licencing and control of undertakings that sell food to the public						
50	Sched 5 B	Refuse removal, refuse dumps, solid waste disposal and cleansing services						

281 - Umfolozi, 282 - uMhlathuze, 283 - Ntambanana, 284 - uMlalazi, 285 - Mthonjaneni and 286 - Nkandla



Allocated functions to the district

Functions omitted from existing enactment in terms of Extraordinary Provincial Gazette of KZN Vol3 No 299 dated 30 June 2009

The Vision, Mission and Core Values

of the uThungulu District Municipality

Vision

"An economically sound district with effective infrastructure and a district that empowers people; protects the environment and demonstrates leadership excellence."

Mission

"To create a prosperous district by:

- Providing a high standard of essential basic services;
- Supporting sustainable local economic development;
- Encouraging community participation in service delivery projects; and
- To achieve cost recovery on services provided."

Core Values

- Integrity
- Transparency
- Commitment
- Co-operation
- Innovation
- Accountability



Introduction to the Service Delivery Budget Implementation Plan (SDBIP)

Sustainable And Integrated Development

The vision and goals for the development of the district will take place in an environment of sustainable and integrated development. This implies that:

- The social, economic, spatial, infrastructure services, the environment and institutional development should be advanced simultaneously at appropriate and affordable levels.
- The growth and development of the economy through private sector initiatives and investment should be advanced to its maximum potential in order to maximize employment creation and income generation. The ability to address the huge backlogs in services can only be advanced in a strong and rapidly growing economy. Amongst others, this implies that an environment should be pro-actively created in which the private sector could be empowered to compete effectively in international markets.
- The protection and management of the natural environment should take place in accordance with international standards and practices to ensure that long term sustainability of the communities, tourism and manufacturing practices.
- The building of the capacity of the communities through education and the provision of health services lies at the core of the social and economic development of the district. The application of the equity principle of ensuring that development initiatives are gender and age sensitive are important for the development of the communities.
- The growth and the development of the economy, the building of sustainable communities and the management of the environment must be supported by national, provincial and local policies and programmes. The Council will engage with national, provincial and local government to ensure that the alignment of functions takes place.

The Integrated Development Plan (Idp) And Its 5 Key Development Strategies

The IDP is divided into five key development strategies:

- Economically sound district
- Effective infrastructure
- Integrated environment
- Leadership excellence
- People empowerment

The following table provides a summary of investment according to the above listed strategies over the five year period from 2007/2008.

	2007/2008	2008/2009	2009/2010	2010/2011	2011/2012
	%	%	%	%	%
Strategy 1: Economically Sound District	2.0	2.1	2.0	1.7	0.84
Total					
Strategy 2: Effective Infrastructure	70.9	70.5	68.3	71.2	82.2
Total					
Strategy 3: People Empowerment	6.4	6.4	6.8	8.2	4.9
Total					
Strategy 4: Integrated Environment	3.3	3.3	3.1	3.4	2.36
Total					
Strategy 5: Leadership Excellence	17.4	17.7	19.8	15.6	9.7
Total					
GRAND TOTAL	100	100	100	100	100

Alignment with National Key Performance Areas

Nationally the Implementation Plan of Action for the 5 year Local Government Strategic Agenda, as adopted by Cabinet in January 2006, is used as the basis for determining a number of key performance areas for all municipalities. These set out the mandate to be achieved by all municipalities and as such represent an important guiding principle for municipal organizational design. The national key performance areas are the following:

1. Basic Service Delivery

Aspects such as basic water, sanitation, electricity, refuse and roads. Includes social infrastructure, e.g. housing, health, education, welfare and cemeteries. It also relates to the following:

- Sound and updated statistical based service delivery plan
- MDG's/Targets for municipal services (e.g. water, sanitation, electricity, refuse removal, transportation)
- FBS and Indigent Register
- O&M
- Capacity to implement Integrated Capital Infrastructure Plan

2. Local Economic Development

Economic Development and Poverty Alleviation Strategies and awareness programmes. In addition to social infrastructure, social programmes also form part of this KPA, e.g. HIV/AIDS, ABET etc., comprise economic generation objectives and projects. Elements of poverty alleviation could also be grouped under this area. It also relates to the following:

- Competitive and comparative advantages
- ASGISA and second economy investment
- Skills development
- LED institutional capacity
- Social partners

3. Governance and Public Participation

Measures how the local government sphere aligns and integrates with the Provincial and National spheres of government on cross cutting issues. Programmes to demonstrate how the community participates/is consulted/is empowered in government programmes; particularly the establishment and functionality of ward committees and community development workers. It also deals with the involvement of Traditional Councils in municipal affairs. It also relates to the following:

- Functional ward committees and other committees
- Linkages with other governance structures
- Sector engagements
- Community informed IDP
- Annual Performance Report submitted

4. Municipal Transformation and Organisational Development

How the institution is (administratively and politically) capacitated to exercise its duties (human resource development and management). How is the organization structured to meet the needs of the IDP? Is the organization accountable to the public via the necessary performance management systems? The internal policies and processes to adhere to aspects like gender equity, disability and general management of the municipality. It also relates to the following:

- Performing of powers and functions
- Organogram and vacancy rates (Section 57 level only)

- Capacity assessment to implement IDP
- Various policies
- Organisational PMS

5. Municipal Financial Viability and Management

Comprise the policies and processes relating to revenue generation, debt and credit management as well as assets, liability control and auditing. Aspects such as submission of the financial statements to the Auditor General (AG) as well as the findings of the AG on the municipal affairs. As part of this KPA, the municipality should comply with the budgetary provisions and aspects as outlined in the MFMA. It also relates to the following:

- Service Delivery Budget Implementation Plan
- Revenue management and billing system
- Expenditure Reports
- Debt Recovery Plan
- Budget and IDP link

Provincially a 6th Key Performance Area has been added, as all of the above KPAs have a spatial implication:

6. Spatial Planning and Spatial Development Frameworks

This KPA relates to the following:

- Analysis shared by National, Provincial and DM/LM policies
- Alignment with NDSP and PGDS profile
- Spatial analysis translated into SDF
- SDF includes LUMS guidelines
- Credible statistics

Service Delivery Budget Implementation Plan (SDBIP)

uThungulu carries out extensive consultation with the community and other stakeholders as part of the IDP and budgeting process to ensure awareness of, and to encourage input into the Budget and the IDP.

Each department has prepared its own operational plan to give effect to both the organizational goals and to meet departmental service delivery and performance targets. These feed into this overall plan, providing the key performance areas against which each senior manager will be held accountable.

The SDBIP is a requirement under the MFMA. The National Treasury has issued a circular identifying the key components as:

- Monthly projections of revenue to be collected for each source;
- Monthly projections of expenditure (operating and capital) and revenue of each vote;
- Quarterly projections of service delivery targets and performance indicators for each vote;
- Ward information for expenditure and service delivery; and
- Detailed capital works plan broken down by ward over three years.

Strategy - Long-Term Objectives

The council has set itself some stretching targets within the framework of the five-year IDP and beyond. These are summarized in the table below:

Strategy	Objective	Output/Indicators
Economically Sound District	This strategy aims to establish economic growth and development in all economic sectors with a particular focus on agriculture, tourism and trade and industry (SMME), whilst contributing to poverty alleviation in the district. The district will aim to identify and develop LED opportunities based on the functions of the municipality.	The long-term objective is to reduce poverty levels in the district by half by the year 2014. This will be achieved with a reduction in the unemployment level from the current 45% to 22% by the year 2014 i.e. a growth of 4.5% p.a. to 2009 up to 6% thereafter. This would require substantial capital investment in SMME's leading to an increase in income levels of the poorest 25 000 households to above the R1 600 per month per household level.
Effective Infrastructure	This strategy focuses on the improved maintenance of existing infrastructure and the provision of new infrastructural services to ensure the spatial integration of the district and its transportation systems. The strategy thereafter aims to improved service delivery and ensure a basic standard of living for all.	A first priority is to provide water to a survival standard of to at least 90% of the population of the district at a volume of 5 litre per person per day within a 1km walking distance and, a second objective is to provide at least 35% of the population with 25 litre water per person per day within a 200 m walking distance (RDP standard). Sanitation targets are to provide basic health hygiene education to at least 90% of the population and to provide at least 25% of the population with VIP latrine services.
People Empowerment	The focus of this strategy is on social development and community empowerment dealing with issues such as environmental health, disaster management and the co-ordination of provision of community facilities. The strategy aims at community upliftment in terms of inclusion of marginalized groups, safety & security, education training & capacity building and addressing the impact of HIV/Aids - thereby ensuring a strong, participatory and inclusive community.	The long-term objective is to substantially improve the social well-being of the people of the district. This will be achieved through the improved satisfaction levels of the communities with the delivery of social municipal services such a fire fighting services, community services and environmental health services.
Integrated Environment	The strategy focuses on the co-ordination of the spatial and service delivery component to improve the management of district level responsibilities. The strengthening of the development nodes of the municipalities, while ensuring the equitable development of the rural areas through all service delivery. Co-ordination of land reform and housing in line with service delivery is of prime importance. Environmental management and spatial co-ordination and integration of development are further components of the strategy to ensure integration and optimum organizational capacities.	The long-term goal is to achieve an equitable distribution of urban and rural development projects and therefore an equal improvement in access to community and municipal services. The development of projects will have taken place on a sustainable basis and will have a minimum impact on the natural and build-up environment of the district. Projects would have taken place in an integrated and coordinated way through integrated planning and alignment, improving both the livelihoods of the rural and urban areas.
Leadership Excellence	This strategy ensures commitment by the district to provide the highest quality of service to its constituents through accountable leadership and support services, resulting in a productive and sustainable district. This strategy aims at establishing open and transparent platforms for communication and consultation with all role players.	The district will be able to demonstrate improved governance levels through the establishment of a prudential financial service delivery strategy and a performance management system. A network of municipal service delivery would be established throughout the district by the end of the planning period.

The council's highest priorities are aimed at eradicating rural backlogs for water supply and sanitation services, as measured against Rural Development Plan (RDP) standards. Within the context of the 2008/09 to 2010/11 budget and IDP, the following targets have been set for the uThungulu District:

- Water - from 82% in 2001/02 to 36 % in 2011/12
- Sanitation - from 80% in 2001/02 to 66 % in 2011/12

The following table provides a detailed summary of progress made in respect of the eradication of backlogs in water provision in the uThungulu District with the exception of uMhlathuze that is its own water services provider.

Table 1: Water backlogs below RDP standards in uThungulu

Local Municipality	2008/2009 Households	Households with Water	Households without Water	2009/2010 % Backlog
Mbonambi (KZ281)	20 615	11571	8865	43%
Ntambanana (KZ283)	16 339	8 987	7 353	45%
uMlalazi (KZ284)	42 623	21 885	20 738	48%
Mthonjaneni (KZ285)	9 712	4 565	5 147	53%
Nkandla (KZ286)	25757	17506	8251	32%
Total	115 046	64514	50354	44 %

Source: WSDP Review 2009

The following table provides a detailed summary of progress made in respect of the eradication of backlogs in sanitation provision.

Table 2: Sanitation Backlogs below RDP standards in uThungulu

Local Municipality	2008/2009 Households	Households with Sanitation	Households without Sanitation	2009/2010 % Backlog
Mbonambi (KZ281)	20 615	10 457	10 158	49%
Ntambanana (KZ283)	16 339	9 687	6 652	41%
uMlalazi (KZ284)	42 623	9 408	33 215	78%
Mthonjaneni (KZ285)	9 712	7 278	2 434	25%
Nkandla (KZ286)	25 757	11 290	14 467	56%
Total	115 046	48 120	66 926	58 %

Source: WSDP Review 2009

In the short-term the council and its senior managers are committed to delivery on firm targets for 2011/12 and outline targets for 2012/13. Monitoring of delivery against targets are reported to council on a quarterly basis.

Organisational Structure

In order to implement the programmes under the 5 key Development Strategies, the administration of the uThungulu District Municipality, is organized into 4 Service Units:

- The Office of the Municipal Manager;
- The Department: Financial Services;
- The Department: Technical Services;
- The Department: Corporate Services

Executive and Council



Cllr EM Mzimela
Speaker

Office Of The Speaker

The 2011 Local Government Elections welcomed a new Council structure for the uThungulu District Municipality. My report will therefore reflect on the activities of the new Council post-election and thereafter on the activities of the former Council for the initial 11 months of the financial year.



Incoming Executive Committee

Incoming Council:

The Inaugural Meeting of the new ANC-led Council took place on 15 June 2011. A total of 41 councillors were sworn in to form the new uThungulu District Council.

The following Councillors were elected as office bearers:

- Mayor - Cllr. TVB Mchunu
- Deputy Mayor - Cllr. TC Mashaba
- Speaker - Cllr. EM Mzimela

ExCo Members :

1. Cllr. TVB Mchunu
2. Cllr. TC Mashaba
3. Cllr. IT Gcabashe
4. Cllr. NR Cele
5. Cllr. BV Mthethwa
6. Cllr. M Simelane

The first meeting of ExCo of the new Council took place on 28 June 2011. The first meeting of Council took place on 29 June 2011.

The remaining Councillors are:

1. SG Ngema - Chief Whip
2. IJ Naidoo
3. LW Fourie
4. CPG Cele
5. JD Vilakazi
6. MM Ngobese
7. NC Mthalane
8. N Naidoo
9. JM Mathaba
10. SS Zungu
11. X Bhengu
12. ZD Mfusi
13. S Mgenge
14. EF Mbatha
15. MS Mngayi
16. NB Mzimela
17. FG Bosman
18. MT Makatini
19. N Mlaba
20. HF Mthiyane
21. NT Thusi
22. T Zulu
23. KD Sibiya
24. M Lourens
25. EN Malinga-Mtshali
26. MET Magwaza
27. M Dlodla
28. BL Thusi
29. MS Ndlangamandla
30. BZ Mncadi-Mpanza
31. TA Ntuli
32. NPM Magubane
33. SA Mpanza
34. BL Mkhwanazi

Outgoing Council:

During the 2010/2011 financial year, until the 18 May 2011 Local Government Elections, the Council was composed of the following:

- Alderman SB Larkan - Mayor
- Cllr IJ Naidoo - Speaker
- Cllr BV Mthethwa - Deputy Mayor

The Council had 39 Councillors:

- IFP = 23
- ANC = 13
- DA = 2
- Fedco = 1

Councillors:

1. Cllr. IJ Naidoo - Speaker
2. Cllr. I Stone
3. Cllr. ST Khumalo
4. Cllr. DT Dlamini
5. Cllr. MB Mthiyane
6. Cllr. BP Dunge
7. Cllr. M Mnguni
8. Cllr. TC Mashaba
9. Cllr. MJ Mabuyakhulu
10. Cllr. ESW Mthimkhulu
11. Cllr. EM Conco
12. Cllr. FPB Mpungose
13. Cllr. DM Herbert
14. Cllr. DA Nxumalo
15. Cllr. MB Myeni
16. Cllr. MET Magwaza
17. Cllr. NS Buthelezi
18. Cllr. M Dludla
19. Cllr. JM Zulu
20. Cllr. WJ Harris
21. Cllr. SZ Dlamini
22. Cllr. ZO Zulu
23. Cllr. AZ Mnqayi
24. Cllr. NV Gumbi
25. Cllr. MM Mbokazi
26. Cllr. NB Mzimela
27. Cllr. BT Mnqayi
28. Cllr. I Woollatt
29. Cllr. MJ Xulu
30. Cllr. BZ Mncadi-Mpanza
31. Cllr. LCM Fourie
32. Cllr. DK Palavar

Exco – 7

33. Ald. SB Larkan - Mayor
34. Cllr. BV Mthethwa - Deputy Mayor
35. Cllr. M Simelane
36. Cllr. HC de Villiers
37. Cllr. T Mchunu
38. Cllr. ME Mzimela
39. Cllr. DMO Ngcobo

Outgoing Council



Ald. SB Larkan - Mayor



Cllr. BV Mthethwa - Deputy Mayor



EXCO Member - M Simelane



EXCO Member - HC de Villiers



EXCO Member - T Mchunu



EXCO Member - ME Mzimela



EXCO Member - DMO Ngcobo



Speaker - IJ Naidoo

The Officials and Councillors were remunerated as follows:

	Group		Municipality	
	2011	2010	2011	2010
	R	R	R	R
Remuneration of Municipal Manager				
Annual Remuneration	863 736	800 518	863 736	800 518
Car Allowance	343 415	330 800	343 415	330 800
Performance Bonuses	142 582	132 020	142 582	132 020
Contributions to UIF	11 625	1 542	11 625	1 542
	1 361 358	1 264 880	1 361 358	1 264 880
Remuneration of Deputy Municipal Manager				
Annual Remuneration	803 594	701 734	803 594	701 734
Car Allowance	352 280	323 323	352 280	323 323
Performance Bonuses	135 453	124 439	135 453	124 439
Contributions to UIF	12 599	1 542	12 599	1 542
	1 303 926	1 151 038	1 303 926	1 151 038
Remuneration of Executive Director Technical Services				
Annual Remuneration	783 090	718 564	783 090	718 564
Car Allowance	157 056	179 018	157 056	179 018
Performance Bonuses	125 316	116 034	125 316	116 034
Contributions to UIF	10 158	1 542	10 158	1 542
	1 075 620	1 015 158	1 075 620	1 015 158
Remuneration of Executive Director Corporate Services				
Annual Remuneration	792 387	769 755	792 387	769 755
Car Allowance	219 645	202 475	219 645	202 475
Performance Bonuses	128 324	117 426	128 324	117 426
Contributions to UIF	10 831	1 542	10 831	1 542
	1 151 187	1 091 198	1 151 187	1 091 198
Remuneration of Chief Financial Officer				
Annual Remuneration	1 007 297	824 861	1 007 297	824 861
Car Allowance	130 731	93 190	130 731	93 190
Performance Bonuses	128 324	118 818	128 324	118 818
Contributions to UIF	12 939	1 542	12 939	1 542
	1 279 291	1 038 411	1 279 291	1 038 411
Remuneration of councillors				
Mayor	425 708	429 861	425 708	429 861
Deputy Mayor	439 219	435 274	439 219	435 274
Executive Committee	2 030 537	1 226 740	2 030 537	1 226 740
Speaker	439 219	466 443	439 219	466 443
Councillors	1 737 760	2 434 655	1 737 760	2 434 655
Councillors' pension contribution	419 407	422 240	419 407	422 240
	5 491 850	5 415 213	5 491 850	5 415 213

In-kind benefits

The Mayor, Deputy Mayor, Speaker and Executive Committee Members are full-time. Each is provided with an office and secretarial support at the cost of the Council which is included with other expenditure in the Statement of Financial Performance. The Mayor has the use of a Council owned vehicle together with a driver for official duties.

Council And Its Meetings

In accordance with Municipal Notice No 143 dated 13 July 2000 (as corrected by Municipal notice no 175 dated 22 August 2000) the Council of uThungulu District Municipality consisted of 39 Councillors. The Executive Committee was made up of 7 Councillors.

During the 2010/11 financial year a total of 75 meetings of Council and its Committees were held. This total is made up of meetings as follows:

Plenary Sessions of Council	10
Executive Committee meetings	13
Technical Portfolio meetings	3
Planning portfolio meetings	4
Corporate Portfolio meetings	6
Community Portfolio meetings	5
Financial Portfolio meetings	9
Audit Portfolio meetings	4
Rules Portfolio meetings	3
Performance Audit	2

Office of the Municipal Manager



Acting Municipal Manager
Danie Lubbe

Departmental Vision, Mission And Core Values

Vision

"A municipal manager's office that promotes an economically sound district with effective infrastructure and a district that empowers people, protects the environment and demonstrates leadership excellence."

Mission

To develop and maintain effective and efficient managerial processes and practices to ensure the creation of a prosperous district by:

- Managing the provision of a high standard of essential basic services;
- Ensuring management practices that support sustainable local economic development;
- Promoting the encouragement of committing participation in service delivery projects.

Core Values

- To promote the value of integrity among officials;
- To promote transparency in the way that the municipality conducts its business;
- To foster a culture of commitment in respect of service delivery within the municipality's servicing area;
- To ensure a spirit of cooperation within the municipality, among municipalities within the district, with other districts as well as with provincial and national spheres;
- To promote a culture of innovation in the carrying out of functions and delivery of services to the communities within the servicing area of the district.

The office of the Municipal Manager consists of the following offices:

- Municipal Manager
- Deputy Municipal Manager
- Public Relations Manager
- Planning and Development Services
- Legal Services

Municipal Manager

The Accountable Officer in terms of prevailing local government legislation and responsible as Chief Executive Officer for the effective and efficient operations of the uThungulu District Municipality as an institution.

It is the responsibility of the Municipal Manager as "Accountable Officer" to:

- Promote sound financial management throughout the municipality;
- Be responsible for all income and expenditure, all assets and the discharge of all liabilities;
- Ensure compliance with the Municipal Finance Management Act (MFMA) No. 56 of 2003;
- Prevent fruitless and wasteful expenditure;
- Disclose all information on debts
- Ensure the development and implementation of the Integrated

Development Plan (IDP), which consists of five development strategies upon which the annual budget is based.

- Ensure the further development and implementation of a Performance Management System to measure service delivery in terms of performance indicators of each Key Performance Area (KPA) under the following programmes:

Economically Sound District - Local Economic Development, Local Tourism Development, Agricultural Development and Business and SMME Development.

Effective Infrastructure – Internal Fixed Assets and Buildings, Potable water, waste water and sanitation, Water Service Authority and Planning, Energy, Regional Solid Waste, Regional Cemeteries and Crematoria, Municipal Roads and Public Transport Services, Municipal Airports, Municipal Public Works and Telecommunication and Technology.

People Empowerment – Internal Fixed Assets and Buildings, Municipal health, Education, Training and Capacity Building, Safety and Security, Community Services, Facilities and Actions, Disaster Management, Fire Fighting, Poverty Alleviation, Marginalized Groups and HIV/Aids.

Integrated Environment – Internal Fixed Assets and Buildings, Integrated Development Planning, Land Reform, Housing, Environmental Management and Planning Shared Services.

Leadership Excellence – Internal Fixed Assets and Buildings, Financial Control, Management Services, Administrative Services, Public Relations and Communications, Special Projects and Performance Management Programme.

The Municipal Manager is also responsible for the following strategic portfolios:

- Co-ordination of Operational Activities within uThungulu District Municipality;
- Compliance with the provisions of the Municipal Finance Management Act (MFMA);
- The promotion of Intergovernmental Relations.

SECTION: PUBLIC RELATIONS

The Public Relations Section concentrated the majority of its focus on the promotion of community activities during the past financial year, facilitating a large number of sod-turning events, handovers to needy organizations and organizing of roadshows.

The municipality also generated a generous amount of newspaper coverage, which resulted in various sponsorship drives and community upliftment projects being undertaken.

The Public Relations Manager is responsible for the following:

- To promote community participation in local government;
- To promote synergies with the private and public sector to market the district;
- To improve the municipality's public image by communicating in a transparent, effective and pro-active manner;
- Batho Pele
- Intergovernmental Relations
- Head of the District Communications Forum

The section also organized two sets of roadshows to the local municipalities to communicate the district's IDP and 2010/2011 budget process, as well as various events to commemorate landmark projects.

A successful Golf Day was held in May 2011, with the sponsorship of our corporate partners and suppliers, allowing the district to network with its invaluable local service providers and business organizations.

Through the District Communications Forum, the district is able to liaise with and capacitate the communications and public relations staff of the local municipalities and provincial government departments. The DCF was formed as part of a national communications strategy to ensure co-ordination of an integrated and coherent system of government communication from the national to the provincial sphere.

It ensures that communication messages and information reach all government spheres as well as create an effective interface of communicators from all spheres. The municipal communications programme is therefore being co-ordinated and synergised with provincial and national programmes.

Communication Tools:

A number of different communication tools were used to promote the uThungulu District Municipality in the public arena as part of the 2010/2011 communications strategy.

Roadshows

Four combined IDP/Budget roadshows were held between October 2010 to April 2011, whereby three municipalities were each clustered together in joint roadshows, involving a cross-functional team from the Technical Services Department; Finance; Planning and the Municipal Manager's Department.

The purpose of the roadshows was to communicate uThungulu's multi-year budget and Integrated Development Plan to the communities it serves, with the objective of achieving community participation in the budget and IDP. The roadshows also served to create an awareness of the functions and powers of the district municipality and helped engender a culture of payment for services.

A cross-section of roleplayers, including ward committee members, councillors, community liaison officers and municipal officials attended each roadshow, with pre-publicity being done by means of broadcast messages on community station Radio Icora, advertisements in the mainstream press and mobilization by ward Councillors. The roadshows received a tremendously positive response from communities throughout the district.

Media liaison

An enormous amount of free media publicity was generated through the publication of press releases to help promote an understanding of uThungulu's core business amongst its stakeholders. A variety of different publications and newspapers carried articles on Council initiatives and events throughout the year. They included local, provincial and national print media, radio and television broadcasts.

Radio slots

The municipality also paid for bi-monthly, five-minute slots on Radio Ukhosi to talk about matters relating to the Integrated Development Plan and events of interest to our communities. Snap surveys at

the roadshows showed that the majority of people in the deep rural areas had heard about them on Radio Ukhozi. Radio is by far the most effective means of communicating with these remote areas as the residents do not have access to newspapers.

Service Commitment Charter

A Service Commitment Charter is published annually in English and Zulu, and distributed at all our roadshows. Copies are also made available at all uThungulu offices. The Charter contains general information about the municipality and commits us to a certain level of service. It also details the main Key Performance Areas as contained in our departmental Integrated Actions Plans. In addition to this we also include critical information on Batho Pele, our water services, access to water, billing services, our Indigent Policy, Disaster Management and other community services. The booklet is a vital tool that the community can keep with them containing toll free contact numbers for water queries and disaster reporting.

Izindaba Ezimtoti

Our monthly external newsletter Izindaba Ezimtoti has proven to be an invaluable communication tool, containing interesting articles and dynamic photographs in English and Zulu, depicting events, activities and information relating to the district.

A total of 15 000 copies of the Ezimtoti are printed each month and distributed to businesses in Empangeni, Richards Bay, Kwambonambi, Mtunzini, Eshowe and Melmoth, as well as the nine libraries in the district and to the offices of the six local municipalities. The three-year tender for the design, printing and distribution of the newsletters ended at the end of this financial year and a new tender has been advertised for the three-year period ending June 2014.

Ezisematheni

A monthly staff newsletter, the Ezisematheni is distributed internally to all employees of the municipality, carrying staff news and policies. The newsletter is both informative and fun, using an informal approach that aims to provide light reading for the staff.

uThungulu website

The uThungulu website was revamped to bring it more in line with the style of provincial government departments, to allow for easier navigation and to enhance the content.

SECTION: LEGAL SERVICES UNIT

This unit is situated in the Office of the Municipal Manager and provides organization-wide support.

The role of the Legal Services Unit is to manage the provision of a comprehensive, efficient and effective legal service to the municipality to safeguard the municipality's interest in all legally related matters and to ensure that all municipality's operations are conducted within the parameters of applicable legislation.

During the past year Legal Services provided various legal opinions to the municipality ensuring that informed decisions are taken and to safeguard the municipality against legal actions. Legal Services has been involved in either drafting or vetting of various agreements which the municipality has concluded or in the process of concluding thus ensuring that the municipality's interests are legally safeguarded. Legal Services has drafted a Standard Service Level Agreement which will also ensure that the municipality's legal interests are protected in its contractual relationship with the various service providers. This Standard Service Level Agreement is being used already by the municipality.

The Legal Services Unit does constant research to advise the municipality on the latest developments in the legal space. In this regard, there are numerous amendments affecting local government that have been proposed through the Local Government: Municipal Systems Amendment Bill, 2010 and the Draft Regulations of Municipal Staff Members as Candidates for National, Provincial and Municipal Elections. Uthungulu District Municipality through Legal Services Unit has commented on both the Amendment Bill and Draft Regulations and submitted its comments to the National Department of Cooperative Governance. This has since become an Act and Legal Services is in the process of presenting same to the organisation. Legal Services is also busy finalising a tender for the appointment of a panel of attorneys to provide legal services to the organisation.

The Legal Services Unit plays a role in the drafting and the ongoing review of Bylaws and attends to legal formalities in respect of the promulgation of same.



Department of the Deputy Municipal Manager

For the 10/11 financial year, the office of the Deputy Municipal Manager took responsibility for the following Strategic Key Performance Areas (KPA's):

- Heading the Department of Planning and Development;
- Strategic and Integrated Development Planning;
- Local Economic Development (LED);
- Organisational Performance Measurement System (OPMS);
- Bid Adjudication;
- Shared Services for Development Planning;
- Enterprise Risk Management (ERM);

Strategic and Integrated Development Planning (IDP)

The 2010/2011 financial year saw the fourth (final) review being conducted for 2010/2011 of the 5 year IDP for the period 1 July 2007 to 30 June 2012.

The review process once again took into consideration the Vision, Mission and the 5 Key Strategies which in essence are the 5 building blocks of the IDP. These 5 Key Strategies also strongly resemble the 5 Key Performance Areas of National Government as well as the 6 Key Performance Areas of the KwaZulu-Natal Provincial Government

The 5 Key Strategies in terms of the 5 year IDP are:

- An Economically Sound District;
- Effective Infrastructure;
- People Empowerment;
- An Integrated environment;
- Leadership Excellence

The review process required the revision of all programmes and participating projects in the five year IDP through community and stakeholder participation. One-on-one alignment meetings were held with national and provincial government departments, parastatals and service utilities. Stakeholder and alignment meetings were also held with all local municipalities within the Uthungulu family of municipalities, as well as neighbouring district municipalities on cross-boundary issues. A very successful Annual Growth and Development Summit was also held as part of the IDP Review Programme.

The municipality once again embarked on an aggressive IDP Roadshow campaign throughout the district where twice during the financial year, communities in all six participating municipalities were visited, the first round scheduled prior to the compilation of the IDP Review in order to receive input into the process and the second round after compilation of the IDP Review and aligned Budget, to inform communities on the outcome.

All legislative requirements and timeframes in respect of the IDP Process plan, IDP Roadmap and the finalisation, adoption and submission of the IDP Review were successfully complied with, and the final IDP Review was submitted to the KZN COGTA well



before the deadline of 30 May 2010.

For the fifth year in succession Uthungulu was ranked among the top municipalities in KZN by receiving a credibility rating in respect of its IDP as a result of the annual IDP assessments carried out by an assessment panel consisting of representatives from National, Provincial and Local Government. The MEC of KZN COGTA awarded to the Uthungulu District Municipality a Certificate of Recognition for consistently remaining for five consecutive years among the top IDP achievers within the KZN Province.

Local Economic Development (LED)

The primary aim of Uthungulu Local Economic Development initiatives is to create an environment which is conducive to economic development. Uthungulu's entire budget is therefore aimed at stimulating the economy, but over and above that, the strategy "Economically Sound District" focuses specific interventions towards developing and stimulating the local economy in the Tourism, Agriculture and Business & Industry Sectors.

We know from our LED Strategy Plan, that five of our six local municipalities have Agriculture as the dominant sector followed by Tourism. Only the City of uMhlatuze, the economic hub of the district, has Business and Industry as the primary sector also followed by Tourism.

A very successful Annual Growth and Development Summit was held for the fifth year in succession with participation from National, Provincial, District and local stakeholders representing the Public and Private Sectors. Responsible roleplayers reported progress on critical issues contained in action plans from the previous financial year summit. The Economic Survey results and findings as conducted by the Economic Research Unit of the University of

KwaZulu-Natal were again released at the summit and interrogated by participants.

The 2010/11 financial year saw the reviews of a number of LED Sector plans being finalized, namely the Tourism Master Plan, the Public Transport Plan, the SMME Support Strategy as well as the Tourism Institutional Framework.

In respect of Agriculture a fresh initiative from 2010/11 centred around the Involvement in Agricultural Forums, with Indabas held for both the Organized Agriculture as well as for Emerging Agriculture Initiatives to align with the Department of Rural Development and Land Reform also pursued. The review of the Agricultural Sector Plan was finalized and an extensive list of strategies, programmes and projects for implantation materialized.

Uthungulu Tourism once again exhibited at the International Tourism Shows in South Africa and substantial funding was invested in Tourism Marketing and Publicity Material to market the unique tourism attractions within our district. The following Tourism Sectors received attention: Cruise Ship Tourism; R66 Route Development (Birding Route) and Urban Tourism.

We successfully hosted the 14th Annual Zulu Dance Competition and received the accolade that such event was viewed as the premier cultural event in the KZN Province.

A Mobile Welcoming Unit for Passenger Liners docking at the Port of Richards Bay was maintained, as the Port of Richards Bay is continually seeing more and more passenger liners arriving on our district's shores. Uthungulu also maintained the Boardwalk Inkwazi Information Hub which also functions as a Tourism Education Info Hub. An E-Marketing Electronic Newsletter was also distributed to roleplayers and stakeholders within the Tourism Sector.



The municipality successfully participated in the Provincial Corridor Development Fund to the value of R12, 250 million towards co-funding of six projects within the district over a multi year period. These unique projects are all aimed at fostering the development of the Ethekwini- Kwa-Dukuza -uMhlathuze Development Corridor. The following projects were successfully progressed with in terms of the second year of funding:

- Kwabulawayo Tourism Development Establishment;
- R66 Heritage Route Establishment;
- Craft Development Hub Establishment;
- Uthungulu Film Office Establishment;
- Mbonambi Development Framework Plan;
- Uthungulu Public Transport Plan.

Organisational Performance Measurement System (OPMS)

The 2010 /11 financial year saw the fourth year of Uthungulu District Municipality measuring the performance of the Municipal Manager, Deputy Municipal Manager and the three heads of Department (Section 57 Managers) in terms of the Municipal Performance Regulations for Municipal Managers and Managers directly reporting to Municipal Managers dated 1 August 2006. In terms of the provisions of the regulations each Section 57 Manager entered into a Performance Agreement within the specified timeframe for the 2010/11 financial year, being 31 July 2010.

The performance regulations necessitate a municipality to assess the performance of its Section 57 Managers once every quarter (quarters 1 and 3 are informal and quarters 2 and 4 are formal) in respect of a financial year under review. In the case of uThungulu all four quarterly performance assessments were treated as formal and carried out by Performance Assessment Panels, constituted in accordance to the said regulations. The performance assessment results for all four quarterly performance assessments were audited by the municipality's internal auditors, Messrs Pricewaterhouse Coopers and results submitted to the Uthungulu Performance Audit Committee.

For the 2011/12 financial year preparations are once again in place to conduct performance assessments, once per quarter, during the year and Section 57 Performance Agreements have duly been entered into in accordance to legislative provisions by 31 July 2011.

In respect of Organisational Performance Measurement, the municipality compiled an Organisational Performance Scorecard for the 2010/11 financial year in accordance to the five National Key Performance Areas and corresponding Key Performance Indicators, as prescribed by COGTA. This "scorecard" gives an indication on the performance of Uthungulu as a local government institution and is included elsewhere in this Annual Report as part of the Annual Performance Report.

Bid Adjudication

The Supply Chain Management (SCM) Policy, processes and practices at the uThungulu District Municipality are strictly run in accordance to the legislative provisions of the Municipal Finance Management Act, Act No 53 of 2003.

In order to ensure that all tenders are awarded in a free, fair and transparent manner, three committees are operational at uThungulu District Municipality, namely the Bid Specifications

Committee (BSC), the Bid Evaluation Committee (BEC) and the Bid Adjudication Committee (BAC).

The Bid Adjudication Committee (BAC) is chaired by the Deputy Municipal Manager and adjudicates all tenders up to a value of R10 million. Tenders in excess of

R10 million are also considered by the BAC, with a recommendation to the Municipal Manager, who ultimately makes the appointment.

The BAC held ordinary meetings on a two-weekly basis during the 2010/11 financial year, with an allowance for additional special meetings when required during alternate weeks, to consider tenders and matters forthcoming from the BEC. All tenders were successfully dealt with and all appointments made within the timeframes specified.

In compliance with the reporting provisions, the BAC submitted regular reports to uThungulu EXCO and Council, as well as National Treasury on tenders adjudicated.

Shared Services for Development Planning

The Deputy Municipal Manager strategically manages and facilitates the development, implementation and maintaining of Development Planning Shared Services within the district family of municipalities. The Shared Services concept relates to those functions being shared by municipalities on a cost beneficial basis and provides for a number of scenarios in terms of the sharing of services i.e. between districts, between districts and its local municipalities, which can be all or some, dependant on the function and need of municipalities, or between two or more local municipalities. This function of sharing specifically relates to the sharing of the development planning function in order to assist municipalities to optimally perform within the framework of the Planning Development Act (PDA).

Uthungulu District and the local municipalities of Mfolozi, Ntambanana, Mthonjaneni, and Nkandla participate in the shared services model. The municipalities of uMhlathuze and uMlalazi chose not to participate. The Shared Services Model sees the sharing of planning capacity and resources within the district. The Shared Services Model sees the sharing of planning capacity and resources within the district.

The following District-Wide Planning Shared Services were rendered during the 2010/11 financial year within the uThungulu District:

1. Strategic Municipal Planning (IDP)
2. Municipal Performance Management;
3. Municipal Spatial Planning which includes:
 - Statutory Applications;
 - Spatial Development;
 - Land Use management.
4. Development Administration which includes:
 - Land Development approvals in terms of the DFA;
 - Land Development approvals in terms of the ordinance (subdivisions and removal of restrictions), which ordinance is replaced by the new Planning Development Act.
5. Spatially Referenced Info (GIS Base)



The Uthungulu District-Wide Planning Shared Services centre was fully operational with a Chief Planner Shared Services for the district. In addition a Chief Planner for the Uthungulu District was also operational and the two Chief Planners worked hand in hand to streamline the development planning function between the district and its local municipalities. Training initiatives on the Planning Development Act as well as Environmental Management were also undertaken for all municipalities within our district.

Enterprise Risk Management

The Office of the Auditor – General laid down the requirement that a municipality's Enterprise Risk Management Plan, incorporating the Fraud Prevention Strategy, should be reviewed annually. During the 2010/11 financial year, the municipality duly undertook a review of its Fraud Prevention Strategy inclusive of updating its Fraud Risk Assessment. It further undertook a control mapping exercise of all the prevalent risks facing Uthungulu and in the spirit of "Good Governance" measures the municipality's performance against the King III's Code of Good Governance practices. The municipality also contracted with Messrs Whistle Blowers to independently manage a Fraud and Corruption Detection and Reporting Hotline with a unique toll-free number dedicated to Uthungulu.

The Review of the Fraud Prevention Strategy Report and the Risk Management Control Mapping Report served before the Audit Committee, EXCO, Council and SCOPA. In addition, an Enterprise Risk Management Steering Committee met quarterly to track and manage Fraud Risks, Enterprise Risks as well as King III compliance.

Funding has once again been provided in the budget for the 2011/12 financial year to review the Enterprise Risk Management Plan and to conduct both the Enterprise Risk and Fraud Risk Control Mapping Exercises for the new financial year.



SECTION: PLANNING AND DEVELOPMENT

The Planning and Development Section reports to the office of the Deputy Municipal Manager.

The Planning and Development section falls directly under the control of the Deputy Municipal Manager and has the following focus areas in line with the functions of the District Municipality, and relates to the Strategies of Creating an Economically Sound District as well as an Integrated Environment:

Economically Sound District - Summary of functions

- Local Economic Development
 - o Planning, coordination and development of district strategic opportunities in line with LED Strategy
- Local Tourism Development
 - o Local Tourism for the district
- Agricultural Development
 - o Planning, coordination and development of district strategic opportunities in line with LED Strategy
- Business & Industrial Development
 - o Planning, coordination and development of district strategic opportunities in line with LED Strategy

Integrated Environment - Summary of functions

- Integrated Development Planning
 - o Coordination and alignment of IDP's in line with legislation, and operation of Development Planning Shared Services.

- Land Reform Planning, Co-ordination & alignment
- Housing Planning, Co-ordination & alignment
- Environmental management Planning, coordination and development of district initiatives, including coastal management

Overall Strategic Objectives:

The overall strategic objectives of the section are to:

- Facilitate and manage the development and ongoing enhancement of strategy, policies and processes pertaining to Local Economic Development,
- Local Tourism Development, Agricultural Development, Business and Industrial Development within the context of the IDP;
- Facilitate and manage the development and ongoing enhancement of strategy, policies and processes pertaining to Spatial and Development
- Planning, Development Planning Shared Services, Environmental Management and Integrated Transport Planning within the context of the IDP.

The functions of the Section relate to the following areas, and will be elaborated on per area:

- Economic Development and Tourism; and
- Development Planning and Environment

1. Economic Development And Tourism

Local Economic Development (LED)

The aim is to establish economic growth and development in all economic sectors with a particular focus on agriculture, tourism and trade and industry (SMME), whilst contributing to poverty alleviation in the district. The district will aim to identify and develop LED opportunities based on the functions of the municipality. Local Economic Development is informed by the Integrated Development Plan. IDP and LED fall strategically within the Deputy Municipal Manager's Office.

Everything that a municipality does and is involved in can be seen as LED, where a municipality should fulfill its Constitutional mandate by creating an enabling environment which is conducive towards local economic development, as healthy and sustainable economic development relates strongly with the development of much-needed infrastructure and effective payment for Municipal Services.

uThungulu has its own dedicated budget towards LED programmes and projects in terms of its IDP under the heading "Economically Sound District", whereby the district endeavours to support and supplement LED initiatives within the participating local municipalities.

Local Economic Development

The three main pillars of the economy in the uThungulu region are: Agriculture, Tourism, Business and Industry. Five of the six Local Municipalities in uThungulu District Municipality have agriculture as the predominant sector, followed by Tourism. It is only in the uMhlathuze Local Municipality (Richards Bay/ Empangeni) where business and industry is predominant, followed by Tourism. In accordance with this, the necessary attention is given to each

sector within the district's IDP within each of the six LM's.

The following initiatives have been implemented as part of this programme:

Review of LED Framework - a tender has been advertised for a Review of the Framework, entitled: Towards a Green Economy. The municipality's investment profile has been advertised in the KZN Business Directory

Implementation of SMME Sector Development Plan: The objective of this project is to provide support to the development of SMME's and the informal sector with specific reference to training and coordination of efforts by support providers.

The SMME Support Programme comprised of the following:

- Database & profiling
- SMME Support Services Brochure
- SMME Fair and Exhibition

Agriculture:

Review of Agricultural Development Plan

The uThungulu District Municipality appointed service providers to assist with the 2011 review of the 2003 Agricultural Development Plan, being a sector plan of the uThungulu IDP. The 2011 review of the 2003 uThungulu Agricultural Development resulted in the following deliverables:

- Status Quo Analysis.
- Vision.
- Objectives and Strategies.
- Programmes with associated Projects.

Business Plans for the top 5 prioritized projects for implementation has been prepared.

Agriculture Facilitation and Support

Various agricultural initiatives had been supported and facilitated, such as support to the Nkandla Essential Oils and outgrowers project.

Tourism

Tourism is one of the main contributors to Local Economic Development in the country as well as the district. It has a major enabling effect in terms of employment generation and attraction of funding to the area. As a function of the district municipality, a number of projects and initiatives are being implemented as part of tourism development:

Management of the uThungulu Tourism Development Office

This includes an awareness programme, marketing shows, marketing tools, media marketing, events such as the Zulu Dance competition and signage.

Review of the uThungulu District Municipality Tourism Master Plan

The goal of the project was to revisit the existing Tourism Development Plan, measuring successes and failures and formulating a revised Focused Tourism Master Plan for the uThungulu District that will realign Tourism Development and marketing with the latest tourism trends and developments as well as future predictions. The Master Plan has been duly completed and adopted.

The Tourism Master Plan Review for uThungulu District Municipality is an outcome of extensive research undertaken in the context of current relevant tourism policy and legislation (see appendix) on the current state of tourism in the district as well as a critical assessment of the tourism strategies highlighted in the 2003 Tourism Master Plan. The 2003 Tourism Master Plan had become outdated and certain strategies identified in the earlier



master plan are no longer applicable to the post 2010 period. In order to guide tourism development in uThungulu District for the next five to ten years, leading up to and beyond the 2010 Soccer World Cup, a new vision for developing tourism in the district is articulated in the updated master plan.

Marketing Shows

INDABA, South Africa's flagship travel trade show, with over 12,000 visitors from across the world attending took place from 7 - 10 May 2011 at the Albert Luthuli ICC in Durban.

The Tourism Division has secured space at the exhibition. A quotation for Stand design and set-up was requested from service providers and the contract was awarded to Oasys Innovations, who are specialist stand designers. An amount of R166 011 was allocated for the project. Indaba had showed once again that it is the best platform for tourism networking and marketing.

E-Newsletter

Due to the success of the electronic newsletter in the 2009/2010 financial year; an amount of R45 000 was allocated for an electronic newsletter for the current 2010/2011 financial year.

A newsletter is a custom publication that allows any business to stay in touch with its target audience, and it is for this reason that a newsletter can benefit a company by distinguishing it. Thousands of companies and businesses worldwide benefit from the use of a newsletter as part of their marketing and communications strategies, as a focused newsletter has been proven to be a valuable tool. The arrival of the internet and email has made the sending of traditional print newsletters a thing of the past.

The newsletter will appear every 14 days and will be connected to the tourism website.

The system that have been set up is using a Google blog and will feed into the new tourism website using a RSS feed.

The system also includes an easy subscribe / unsubscribe option



which we can incorporate into the new tourism website which is required in respect of legislation.

Currently there are over 500 stakeholders on the mailing list; the newsletter is also distributed internally to staff.

The newsletter is being utilized to:

- Create awareness of projects of the tourism section within UDM,
- Inform stakeholders and the public of the projects, programmes, latest tourism trends and developments.
- The newsletter will also develop as a communication medium between public and private stakeholders and finally act as a measurement unit to measure tourism interest in uThungulu District as a whole.
- The production and distribution of an electronic Tourism Newsletter was approved for the 2010/11 financial year and proves to be a success. This modern medium of advertising and communicating with stakeholders has put the uThungulu Tourism Division on the map with regards to media advertising and the leader in the province to take up such an initiative.

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Tourism Brochure (Zululand Unwrapped)

An amount of R155 000 was allocated for a tourism brochure for the district. The current brochure Zululand Unwrapped is currently out of stock and a reprint of the brochure is required for marketing of the district.

Media Marketing

By advertising in magazines, you can reach your target audience, educate them about your products or services, and move them closer to making a purchase.

Another frequently overlooked upside of magazine advertising is that unlike other advertising mediums, magazines make it easy for you to target specific market demographics. Most magazines have a very specific readership based on factors such as interests, age, and gender. By leveraging readership demographics, you instantly ensure that your message is being seen by the right people - the ones most likely to buy your product.

A full colour advert, at a discounted cost of R40 000, was placed in the SA Tourism international marketing magazine "Experience South Africa".

The glossy publication will be distributed to all the international shows including Tourism Indaba in May. An added bonus is a digital version of the magazine will be uploaded on SA Tourism's official website, www.southafrica.net with direct hyperlinks from the ads to the advertisers websites - the website gets between 250 000 and 300 000 unique users every month

Domestic Family Tourism



Dlinza Forest Aerial Boardwalk

An amount of R10 000 was approved for the sponsorship of the reprint of the Dlinza Forest Aerial Boardwalk information flyer. The flyer was printed and distributed at the Indaba. The flyer will be used as a marketing tool to attract visitors to one of the “must see” attractions in the district that forms part of the Forests of Zululand.

Domestic Marketing & Promotion - Children's Map

The National Tourism Department wants to increase South Africa's domestic tourism figures from the current estimated seven million to more than 17 million by 2020. This comes as government's new economic growth path identified tourism as being among the top sectors to help the state achieve its economic objectives for the country.

In light of this a number of initiatives are in the process of being implemented and one of them is a Children's Map. The map will highlight all the attractions that are family friendly ensuring fun activities for children. An amount of R16 000 was allocated for the project.

Adventure Tourism

In recent years, adventure tourism has been one of the fastest-growing tourism markets worldwide. South Africa has become recognized as an adventure tourism destination. During 2009, South Africa was ranked fourth in a list of top ten destinations in the world by iExplore.com, best Adventure Travel website by Forbes. The uThungulu/Zululand region is an experience and product rich destination and perfectly positioned to attract the adventure hungry tourist.

A booklet highlighting the activities available in the region will

attract the tour operators to bring their tourists to the region for both soft and hard adventure tourism. An amount of R40 000 was allocated for the project.

Tourism Awareness Programme

Website Development

According to Forrester (a major research and consultancy company that specializes in Internet usage), travel is rated among the top three sectors of Internet (online) shopping. Indeed, it is estimated that in 2006 more than 40% of online sales were generated by online travel alone, including actual tourism offerings as well as advertising earned by travel orientated websites (Forrester Research, 2008).

With this in mind a terms of reference was compiled and submitted to the IT Manager for the development of the website. The project is being handled by the IT Section in collaboration with the Tourism section. An amount of R40 000 was allocated for the project.

SMME Booklet

The LED Division is currently busy with an SMME booklet which will include Tourism SMME information. An amount of R5 000 has been allocated for a translator to translate the SMME information booklet to isiZulu.

District Tourism Forum

The establishment of this body is as per the Regulations from the Local Government: Municipal Structures Act 1998 whereby District Municipalities in terms of Powers and Functions are responsible for the promotion of Local Tourism for the area of the District Municipality.



The Kwazulu-Natal Tourism Act requires that District Municipalities establish Tourism Forums within their areas of jurisdiction to align with provincial structures and improve lines of communication in the tourism sector.

The aim of the Forum is to act as a co-ordinating, participating platform which ensures coordinated tourism development and marketing strategies in the uThungulu District Municipal servicing area.

The objective is to create and organize a District Tourism Forum with common objectives, roles and responsibilities that will ensure that standards and principles are followed and implemented throughout the Tourism sector.

Craft Hub and Training Facility - Small Craft Harbour Richards Bay

The project to establish a Craft Hub and Training Facility in the Small Craft Harbour in Richards Bay has been delayed. The operational funds for this project were supposed to be forth coming from the Integrated Craft Hub (DEDT). For several reasons beyond our control this money will not be forthcoming at any point soon, due to the fact that the Integrated Craft Hub Board has been disbanded and will have to be constituted. A revised proposal was prepared for consideration by COGTA for implementation. Once approval had been received the project to assist crafters in the district will proceed.

14th Annual Zulu Dance Competition

Zululand is renowned for its rich cultural history and majestic tales of Zulu royalty and brave warriors. The striking profile of a magnificent dancer dressed in traditional attire is also synonymous with the region. Each year tourists, filmmakers and avid photographers travel to the uThungulu district to witness

and capture on film the choreography and splendour that is the Regional Zulu Dance Competition. The Annual Regional Cultural Zulu Dance competition is a highlight of the uThungulu District Municipality's events calendar and sees groups representing all six of the local municipalities in the district competing in various categories for top honours.

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The Zulu Dance Competition was identified as a mechanism to:

- Create awareness of the Zulu Culture;
- Conserve culture, within rural communities which is fast diminishing;
- Introduce the value of tourism to the local communities in order to alleviate crime towards tourists, by portraying the advantages of tourism.

Six Local Municipalities participated in the 14th Annual Zulu Dance competition, comprising of eleven categories. The 14th Annual Zulu Dance Competition was held at the Richards Bay Sports Complex.

Development of the R66 Heritage Route

The uThungulu District Municipality Tourism Development Plan identified the development of the R66 as one of the priority projects for the District. The Route is located along the R66 from the junction of the N2 and R102 at Gingindlovu to eMakhosini.

This project received funding from the Corridor Development Programme which will be utilized for the development of this project.

Progress on the projects has been made on stakeholder interaction, research and investigations. Three trips with various key role-players such as Amafa, TKZN, Zululand District Municipality and other, has been made.

Projects completed:

- The R66 participation at 2011 Indaba
- Printing of R66 Map and folder
- Upgrading of Fort Nongqayi (repainting, interpretive signage and floodlights);
- Upgrade of road to Maqhamusela heritage site;
- 12 students completed their Tour Guide training successfully;
- Road signage Phase I

Projects under way:

- A formal quotation for the upgrading of facilities at Phobane Lake has been advertised and appointment of the service provider is awaited.
- Road signage Phase 2

The institutional framework for the R66 was investigated. A stakeholder workshop was held at Shakaland on 17 November 2010 where a resolution was taken in support of a combined Routes Association.

- The R66 Steering Committee decided to establish an Association as a Section 21 Company at a later stage;
- A bank account has been opened;
- A website has been developed;
- The constitution has been sent to Department of Welfare to register the association as a Non Profit organization;
- A complete business plan has been submitted and copies are available on request;
- A R66 committee is functioning
- The AGM was held on 24 May 2011 at the Mthonjaneni Lodge;

Passenger Liners (Cruise Tourism) - Mobile Info Unit

The number of Passenger liners to the port of Richards Bay has increased from previous years. A mobile unit, as an information office on wheels which can entertain any enquiries, has been procured. The unit will be used when passenger liners dock in Richards Bay harbour and any other outdoor tourism activities.

Cruise Ship Tourism - Seatrade Forum

A large part of the new potential for Cruise Ship Tourism lies on the Indian Ocean coasts.

The Africa Cruise Forum took place in Durban, on 10-11 May 2011, one of the largest African tourism marketing events.

In conjunction with the Cruise Indian Ocean Association (CIOA) and the KwaZulu-Natal Tourism Authority, the Seatrade Africa Cruise Forum brought together executives from the major cruise lines with regional stakeholders, to discuss how to take advantage of these opportunities.

The IOC forum is a platform to discuss what needs to be done to ensure a truly first class experience is provided from beginning to end for all cruise calls.





Following the conference, the workshops provide regional destinations the opportunity to showcase their product to cruise lines in a series of pre-scheduled meetings.

- Membership to the Cruise Indian Ocean Association (CIOA)

The Cruise Indian Ocean Association (CIOA) is a non-profit making organization formally established in Mombasa, Kenya in the year 2000. The Association is composed of Port Authorities in the sub-region and National Tourism Organisations.

The Association aims to maintain close working and special relationships with the Port Management Association of Eastern and Southern Africa (PMAESA) and the United Nations Economic Commission for Africa (UNECA).

In addition, the Association has a special relationship with various international organisations involved in ports, shipping, tourism, trade and other related organisations.

Due to Richards Bay being a harbour city and that the function of welcoming passenger liners is performed by the District Municipality, membership to the Cruise Indian Ocean Association is being arranged.

Film Office

The Northern Zululand Film Office serves as a one stop office to Film Producers to assist with services i.e. scouting, licensing and the like.

The Northern Zululand Film Office tender has been awarded

to ETC Africa Consortium and the office will be set up at the uThungulu District Municipality

A committee consisting of three district municipalities, namely uThungulu, Ilembe and uMkhanyakude District Municipalities will be driving the concept of the film office.

This project is part of the Corridor Development Programme and funding to an amount of R1000 000 has been approved for the development of the Film Office.

The main activities of the established Film Office are:

- To develop databases;
- Develop photographic Route;
- Supply on site support to production crews;
- Assist with environmental impact assessments;
- Assist with issuing of permits and obtaining permissions for filming;
- Attracting of productions to the area;
- Market the Film office at exhibitions.

Tourism Intern and Community Tourism Information Desk:

The municipality is accommodating one intern to enhance the current capacity for a one year period, funded by Department of Economic Development and Tourism.

Lungani Mthimkhulu has started in December 2010 at uThungulu District Municipality and has since been assisting at the Community Tourism Information Desk and other duties such as projects and SMME development.

Assistance is also offered to the Zululand Birding Route (ZBR) and the newly established Esikhaleni Senikosi Tourism Association (ESTA).

Zululand Birding Route

In February 2010, The Northern Zululand Birding Route was reconstituted as a self standing association to co-ordinate and manage the ongoing development of birding tourism projects in KwaZulu Natal. The Zululand Birding Route Mission is to promote and develop birding based tourism in KwaZulu-Natal for the benefit of avitourists, communities and birds.

ZBR has been successful in re-establishing itself and extending the route towards Ballito (Ilembe District Municipality) and North towards the Mozambique border (uMkhanyakude District Municipality). A presentation was made to the PTF.

In order for the ZBR to work towards a level of relative self sustainability by 2014 it is imperative that the route ensures higher returns on input costs, greater levels of private sector support and self generated income activities. The following are proposed as key actions to work towards:

- Integrating with other routes and harness spin off benefits
- Increase private sector support
- Increased ownership and buy in from community bird guides
- Partnerships with tour operators

The uThungulu District Municipality has approved an amount of R100 000 towards the Zululand Birding Route for the 2010/11

financial year.

It must be noted that the Zululand Birding Route now falls within the Zululand Cultural and Heritage Route (R66) institutional structure. At a meeting held on 10 March 2011 it was resolved that the R66 steering committee will be assisting in controlling and monitoring the development of the ZBR.

Urban Cultural Tourism

The Tourism Section, in collaboration with the City of uMhlatuze; and the Esikhaleni SeNkosi Tourism Association are engaged in discussions for the future development of a Township Tourism Route Development in Esikhaleni. The Esikhaleni Tourism Association was established in April 2010 and is a strong and vibrant association.

The development of a Township Tourism Route will bring a new product to the District and the area, introducing cultural tourism in a new form. This is also in close proximity to the Port of Richards Bay and accessible for passenger liners docking in the harbour for one day.

Currently concept documentation has been put together and the marketing of the concept needs partnerships with tour operators, advertising, brochure material and signage.

Uthungulu District Municipality has approved an amount of R40 000 from the 2010/11 financial for the development and marketing of the township tourism route. Cre8design was the successful service provider appointed to develop and design the marketing material.

Forests of Zululand

The "Great Forests of Zululand" is an important tourism product of the uThungulu District and has been identified as a tourism nodal point that needs to be further developed. An amount of 1,2million rand was made available for the Ongoye Forest road upgrade in 2008. In partnership with Ezemvelo KZN Wildlife (EKZNW), the access road to the birders camp was upgraded from an untraversable road only accessible to 4 x 4 drive vehicles to a road allowing all vehicles access.

Additional funding was raised by the Zululand Birding Route from Foskor for the upgrading of the Birders Camp in the Forest. The R50 000 grant received by EKZNW was utilized for a new water pump and upgrade of the Forest Camp. The Forest has been fenced recently by EKZNW.

Further development of the Ongoye forest is planned in terms of the provision of facilities, signage and marketing.

The planned developments for Ongoye involve the following:

- Signage
- Hiking trail
- Toilet facilities
- Braai facilities
- Marketing of the forests
- Assistance to mountain biking project at Ongoye

Ongoye Forest

Several meetings have been held with Ezemvelo KZN Wildlife and the Ongoye Forest Steering Committee to pave the way forward for the re-opening of the Birders Camp.

A site visit was scheduled for the 9th February 2011 to finalize plans for the location of planned developments including: day visitor facilities, picnic sites, ablutions and camping sites.

Plans for the remodeling of the Birders Camp pre-fab building have also been developed. An amount of R75 000 was approved for the development of this project from the 2010/11 financial year.

District Tourism Institutional Framework

The uThungulu District Tourism Forum requested the District Municipality to investigate the development of a Tourism Institutional Framework for the uThungulu region due to the current needs and constraints in the tourism sector in the region. The study also included a comparative look at successful tourism institutional models elsewhere in South Africa.

This initiative has now progressed to the implementation stage. A service provider had been appointed to take the process forward. Presentations have been made to all local municipalities. The Institutional Framework has been received very positively and the interim Steering Committee has approved the concept. It was also a decision by the Steering Committee to register the Association as a legal entity.

Forest Noël





A proposal was received for financial support towards the Forest Noël which is held in the Dlinza Forest Eshowe. The play is a major event for the Town of Eshowe and the Zululand area, creating a mayor attraction for tourists and residents, the play is presented by the Local community for the community on a voluntary basis with a small cover charge for admission.

Funding is required for the décor and marketing of the event. R20 000 has been made available towards this event from the Tourism budget.

A date for the play has not been finalized but will take place during November/December 2011.

Dolosfees

The Dolosfees will be held between 4-7 August 2011 at Naval Island in Richards Bay. 20 000 visitors are expected for this festival. The dates coincide with the long weekend and have great tourism potential for the region.

The program is put together to entertain the whole family, except for musical groups other entertainment such as 4 x 4 challenges, play area for kids and more will be on offer.

An application for funding was received and an amount of R50 000 will be made available towards this event.

KwaBulawayo Tourism Development

The development aims to create a tourism attraction based on historical significance and is situated in rural Bhhekeshowe. The Tribal Authority consists of seven sub-wards in a 15km area. The actual site of the King Shaka KwaBulawayo Military Capital is the focus of the attraction,

surrounded by a wealth of historical and cultural tourism sites. Phase 1 of the project is complete and will be operated as a day facility.

The actual site of King Shaka's Military capital, KwaBulawayo is a treasure trove of archaeological, historical, heritage, cultural and eco-tourism.

uThungulu District Municipality, in partnership with the Department of Local Government and Traditional Affairs (now CoGTA), have spent over R8-million transforming the military capital into a tourism attraction of note.

The Kwabulawayo Tourism Development is an initiative of the Kwabulawayo community with an objective of creating employment opportunities for members of the community. Taking into consideration the objective of the project, services were supplied by the local Community Trust, in order to demonstrate the economic benefit of the infrastructure. The event proved to be a huge success with over 5 000 spectators, including tourists. The venue alone

created a positive impact on the event and there is much more possibilities for further development with the project.

Corridor Development Projects

The following projects, as discussed under the Tourism heading, had been funded by CoGTA as part of the Ethekewini-uMhlathuze Corridor Development Fund:

- Craft Development
- R66 Culture and Heritage Route
- Film Office
- Kwabulawayo Tourism Facility

A further two projects as listed below, had been funded, finalized, approved and close-out reports submitted to CoGTA.

- Mbonambi Development Framework
- Review of the District Transport Plan have been





2. Development Planning And Environment

Integrated Development Planning

The co-ordination of service delivery and investment in the district is vital to ensure sustainable service delivery. This can only be attained by achieving the sensitive balance between strengthening (maintaining) the rural economy, implementation of the land reform programmes as well as housing delivery. Also, all of the above has to take due cognizance of the environment.

The focus is on the co-ordination of the spatial and service delivery component to improve the management of district level responsibilities and the strengthening of the development nodes of the municipalities, while ensuring the equitable development of the rural areas through service delivery. Implementation of the Development Planning Shared Services can be seen as a milestone in improving development planning capacity in the district. Co-ordination of land reform and housing in line with service delivery is of prime importance. Environmental management and spatial co-ordination and integration of development are further components of the strategy to ensure integration and optimum organisational capacities.

The objectives of the District Municipality are:

1. To ensure the successful annual review of the District Municipality and the Local Municipalities' IDP's;
2. To coordinate and align all IDP's and other role-player involvement.

Annually, the uThungulu district prepares/reviews its IDP.

Apart from dealing with critical issues pertaining to project identification, budgeting, land reform and housing, the IDP also contains an SDF (Spatial Development Framework) and other important issues as detailed in the remainder of this section:

- From a land reform and housing perspective, the district is responsible for planning, coordination and alignment.
- The district's responsibility for the provision of bulk infrastructure to housing projects specifically is very important.
- Land-Use planning aims to co-ordinate and manage all the land uses and their relationship to each other in order to protect natural resources and to create safe and liveable environments. In respect of land-use planning, the District Municipality is responsible for the provision of the Land-Use Management Framework, whilst the Local Municipalities are responsible for the preparation of detailed Land Use Management Systems (LUMS).
- The bi-annual quality of life survey of the UDM provides the mechanism to monitor progress on key development projects and programmes as identified in the IDP. The recent survey indicated an increase in the number of stand pipes in uThungulu as well as an overall reduction in the dependency on natural water sources. This fact is confirmed by the WSDP that indicates that backlogs in water provision to a RDP standard have been reduced to 58.4% (as opposed to the 2001/2002 backlog percentage of 82%).
- Bi-annual Quality of Life Survey (Performance Evaluation):
- The objective of this project is to ensure that IDP Programmes and projects have an impact on the living conditions of the people of the district.
- Land Reform: Co-ordination and alignment of an effective process to guide Land Reform. The alignment of programmes and projects is a key objective.
- Housing: Liaison, co-ordination and alignment of an effective process to guide the development of housing projects and the preparation of a District Housing Plan.

IDP Review

- The fourth review (for financial year 2011/12) of the 2007/08 to 2011/12 Integrated Development Plan (IDP) has been

prepared as required by the Municipal Systems Act (Act 32 of 2000) Chapter 5, Section 25.

- An assessment of the provincial IDPs was scheduled by the Department of Co-operative Governance and Traditional Affairs to run from 4 to 7 April 2011. The feedback emanating from these assessments of the Draft IDP was discussed at the IDP Engagement Session scheduled for 8 April 2011.
- The final draft IDP and Budget was advertised for comment for a period of 21 days ending 14 April 2011 for all interested and affected parties, after which it was submitted to Council for approval on 4 May 2011.
- The uThungulu SDF will be reviewed in order to improve its credibility, to comply with the Local Government: Municipal Planning and Performance Management Regulations (2001), ensure alignment with the SDF's of the Local Municipalities and include the latest spatial trends.

SDF Review (2011/2012)

A Strategic Environmental Assessment (SEA) needs to be prepared as part of the SDF to improve its credibility and to comply with the Local Government: Municipal Planning and Performance Management Regulations (2001). It will ensure that the Spatial Planning within the uThungulu District follows a sustainable development pathway.

The recent review of the SDF's by some of the Local Municipalities indicates that a need exists to review the uThungulu District Municipality's SDF for alignment purposes and include new spatial trends.

The funding amounting to R 150 000 on the uThungulu 2010/11 budget will be utilized to improve the following components of the 2009 uThungulu SDF:

- Alignment with Local Municipal and surrounding District Municipal SDF's.
- An Assessment of the issues to be addressed in the SDF review.
- Incorporation of a Capital Investment Framework.
- A review of the Land Use Management Framework component of the SDF; and
- A review of the Implementation Plan of the SDF.

IGR Grant & Projects

The project involves the establishment and implementation of an Integrated Development Plan (IDP) Charter for Co-ordinated Development within the uThungulu District and for the establishment and functioning of an IDP Services & Sector Alignment Forum. The following outputs and milestones need to be achieved for the project:

- Stakeholders & IGR analysis;
- IGR Framework & IDP Charter; and
- IDP Services & Sector Alignment Forum.

Development Planning (Shared Services)

The shared services concept was conceived due to a number of reasons, notably the fact that many smaller rural municipalities have limited planning capacity and high staff turnovers. Thus, the resulting limitations are proposed to be addressed through the establishment of shared services for the development planning function between district municipalities and their constituent local municipalities.

With effect from 1 February 2009, a Chief Planner (Shared Services) has been employed to provide assistance to the Ntambanana, Mbonambi, Nkandla and Mthonjaneni Local Municipalities of the District.

Upon resignation of the Chief Planner for uThungulu, the incumbent for the Chief Planner (Shared Services) position has been absorbed to the vacant Chief Planner position, thereby leaving the Chief Planner (Shared Services) position vacant. A suitably qualified consultant has been appointed to take up the Chief Planner (Shared Services) duties to ensure continuity in terms of the service to the participating municipalities in line with the Planning & Development Act requirements until the recruitment process for the vacant position has been concluded.

The aim is thus to optimize limited resources and thereby enhance the quality of planning and development services provided.

For uThungulu, the scope of municipal development planning functions included in the DPSS is as follows:

- Spatial Planning
- Strategic Planning
- Development Administration
- Performance Management
- Information Management and Systems Development
- Additional Functions for co-ordination include:
 - Building Inspections and Control
 - Housing
 - Environment
 - Land Reform

Integrated Public Transport Network Review (DoT)

The KZN Department of Transport has appointed a service provider to assist in the development of an Integrated Rapid Public Transport Network (IRPTN) and Integrated Public Transport Network (IPTN).

The project is currently at the Data Evaluation and Status Quo GAP Analysis Stage for uThungulu District Municipality that will focus on:

- Bus Information and routes.
- Minibus services and routes; and
- Land Use information.

Environmental Management

An Environmental Officer was seconded by The Department of Environmental Affairs (DEA-National) as per a Memorandum of Agreement to assist uThungulu District Municipality with environmental management matters, and has been assigned to work with the district and the local municipalities under its jurisdiction.

The Key performance areas for the Environmental Management Officer are as follows:

- a) Support Environment Planning and Management in District and Local Municipalities.
- b) Facilitate and coordinate environmental capacity building initiatives
- c) Support the provincial and municipal planning process and forums / structures.
- d) Support the review of the Local Government Support

- Programme.
- e) Support the implementation of the Social Responsibility Program in the municipalities.

Coastal Management Programme (and Implementation):

To ensure that the coastal areas are managed and protected.

This process includes the ongoing functioning of the District Coastal Working Groups as well as the Coastal Awareness and Education Campaign.

- Coastal Working Group: uThungulu's Coastal Working Group continued to oversee the implementation of the Coastal Management Plan that covers all three coastal local municipalities' coastal development areas.
- A Coastal Livelihood Project (Working for the Coast) has been launched, which is essentially a poverty relief programme focusing on projects such as beach cleaning, alien invader plant eradication and upgrading of some coastal facilities.
- Coastal management has been identified as a key issue that has culminated in the allocation of funds to formulate a Coastal Management Plan for the district as part of the Environmental Management Programme.
- Formulation of the Coastal Management Plan will be guided by recommendations and principles based on research and analysis of the Department of Environmental Affairs and Tourism.

uThungulu Coastal Management Programme Review

A service provider has been appointed to assist the uThungulu District Municipality in the 2011 review of the 2004 uThungulu Coastal Management Programme in line with the Integrated Coastal Management Act (Act No. 24 of 2008).

Working for the Coast covers the following projects:

- Beach and estuary
- Road and beach access clearing
- Removal of foreign matter and alien plants
- Rehabilitation of the dunes through stabilization
- Visitor facilities upgrade and maintenance to be completed
- Hiking / Horse trails
- General landscaping

Climate Change requirements

A Discussion Workshop was held with Kwanaloga recently. One of the requirements is to include climate change into IDP's, etc. Climate change aspects will be included into the CMP during the review process. In terms of requirements for climate change, mitigation and adaptation measures need to be included as well as the requirements of the Green Paper on Climate Change to become a White Paper by mid 2011.

Status of Sector Plans for the Section

The following Plans or Policies have been completed:

Economically Sound District

- LED Framework Plan – review to be initiated
- Agricultural Development Plan Review - completed,

- SMME and Sector Development Plan - completed
- Local Tourism Development Plan - completed

Integrated Environment

- IDP Review - completed
- Coastal Management Programme Review - initiated
- EIA Policy and Procedures - completed

Planning & Development Highlights

Some of the key milestones achieved regarding the economic development of the district are outlined hereunder:

- Functional implementation of the Development Planning Shared Services, to assist municipalities with Strategic Planning, Development Administration, Performance Management and Environmental Management;
- Prepared EIA Policy and Procedures and supplied EIA training for each of the local municipalities;
- uThungulu Tourism Institutional Framework Study completed.
- Cruise Passenger Liner welcoming - purchased a mobile unit for the use of an information unit and completed printing of a cruise liner brochure
- Review of the uThungulu District Municipality Tourism Development Plan completed.
- Marketing Shows and Advertising
- Growth & Development Summit and Tourism Forum successfully hosted;
- Completed a Development Framework for a decentralized industrial area in Mbonambi municipality to accommodate industrial investment;
- Completed Integrated Transport Plan review
- Working for the Coast project implemented for the coastal area, and overseen by District Coastal Working Group.
- Hosting of Annual Regional Zulu Dance Competition to promote tourism and tourism-related job creation.
- Film Office established to market the uThungulu region as a preferred destination for film makers, as well as to provide day-to-day operational assistance to them.
- Tourism accommodation and activity brochure for the UDM servicing area widely distributed.
- Essential Oils outgrowers initiative at Nkandla supported;
- Tourism arts and crafts, where local crafters from our district, exhibit their products and enter the commercial market, as well as uThungulu's successful participation in all Tourism Exhibitions and Trade Shows.
- Initiated a project to establish a Craft Hub in the Small Craft Harbour area of uMhlathuze.
- Passenger liner welcoming facilities and service in partnerships with the Ports Authority.
- Close liaison with Tourism Information Hub at the Inkwazi Boardwalk.

Organisational Performance Management System

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5. Auditing of Performance Information
6. Customer Satisfaction
7. Annual Organisational Performance Information

Organisational Performance Scorecard 2010/2011

ORGANISATIONAL PERFORMANCE MANAGEMENT SYSTEM

1. Legislative requirements

Outlined in Section 40 of the Municipal Systems Act of 2000 (MSA), Municipalities must establish mechanisms to monitor and review its Performance Management System (PMS) so as to measure, monitor, review, evaluate and improve performance at organisational, departmental and employee levels. Section 34 of the MSA furthermore points out that the Integrated Development Plan (IDP) has to be reviewed on an annual basis, and that during the IDP review process the Key Performance Areas, Key Performance Indicators and Performance Targets be reviewed and this review will form the basis for the review of the Organisational Performance Management and Performance Contracts of Section 57 Managers.

The Municipal Planning and Performance Management Regulations (2001) stipulates that a “municipality’s performance management system entails a framework that describes and represents how the municipality’s cycle and processes of performance planning, monitoring, measurement, review, reporting and improvement will be conducted, organised and managed, including determining the roles of the different role-players” (Chapter 3, Section 7, Municipal Planning and Performance Management Regulations, 2001).

Section 46 of the Municipal Systems Act (Act 32 of 2000), stipulates the following:-

“Annual performance reports

46. (1) A municipality must prepare for each financial year a performance report reflecting -
 - (a) the performance of the municipality and of each external service provider during that financial year;
 - (b) a comparison of the performances referred to in paragraph (a) with targets set for and performances in the previous financial year; and
 - (c) measures taken to improve performance.